

FISCAL NOTE

HB 2213 - SB 2221

March 11, 2002

SUMMARY OF BILL: Requires contracts with the state or state entities to be awarded to a business which has its home office in Tennessee if the bid from such business is equal to, or better than, the bid from a business located out-of-state.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Estimate assumes:

- The bill applies to contracts for personal and professional services utilizing Request for Proposals (RFPs) with an award criteria based on such factors as experience and technical qualifications, not price alone. A determination as to an equal or better bid would be based on the evaluation methodology outlined in the RFP.
- Presently, contracts resulting from an Invitation to Bid issued by General Services are awarded to the lowest responsible and responsive bidder. In case of tie bid situation, the first criteria for award is to an in-state bidder. This preference would only arise in case of a tie bid.
- Procurement documents, such as RFPs, would need to be changed to request specific information from proposing vendors regarding the location of their offices in Tennessee and to state that in the event of a tie, a Tennessee presence would be a determining factor. Any cost associated with making these changes is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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